

Message Text

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SUBJECT: LOCKHEED AND THE FRG

1. FOLLOWING IS TEXT OF MICHAEL GETLER ARTICLE DATED
BONN WHICH APPEARED IN AUGUST 31 WASHINGTON POST.

BEGIN TEXT: A BELATED REQUEST BY THE WEST GERMAN GOVERNMENT
FOR ACCESS TO US DOCUMENTS REGARDING POSSIBLE LOCKHEED PAY-
OFFS HAS INJECTED A NEW NOTE OF BITTERNESS INTO THE FEDERAL
ELECTION CAMPAIGN HERE, NOW IN ITS FINAL FIVE WEEKS.

" SINCE LAST MARCH -- WHEN A US SENATE SUBCOMMITTEE CON-
CLUDED THAT IT COULD NOT PROVE ALLEGATIONS BY A FORMER
LOCKHEED EMPLOYEE THAT SOME 12 MILLION HAD BEEN INDIRECTLY
PAID TO WEST GERMANY'S CHRISTIAN SOCIAL UNION PARTY IN THE
1960S AS PAYOFFS ON F-104 STAR FIGHTER SALES--VIRTUALLY
NOTHING HAS BEEN HEARD HERE ON THE LOCKHEED AFFAIR.

"BUT LAST FRIDAY, ONE DAY AFTER A DUTCH COMMISSION DELIVERED
A HARSH REPORT ON PRINCE BERNHARD'S DEALINGS FOR LOCKHEED,
THE BONN GOVERNMENT ANNOUNCED THAT IT WOULD SEND AN EMMISARY
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TO WASHINGTON IN SEPTEMBER OR OCTOBER TO ARRANGE FOR ACCESS

TO US JUSTICE DEPARTMENT MATERIAL.

"TODAY, A SPOKESMAN FOR THE RIGHT-OF-CENTER CHRISTIAN SOCIAL UNION, WHICH FORMS THE OPPOSITION HERE IN COALITION WITH THE CHRISTIAN DEMOCRATS, SUGGESTED THAT THE BONN GOVERNMENT HAD DELIBERATELY DELAYED SEEKING SUCH MATERIAL, AND ANNOUNCING ITS REQUEST, UNTIL THE ELECTION CAMPAIGN WAS IN ITS FINAL PHASE.

"THE OPPOSITION PARTY MAINTAINS THAT THERE IS NO EVIDENCE TO SUPPORT PAYOFF ALLEGATIONS, THAT EARLIER REQUESTS TO WASHINGTON WOULD HAVE PROVED THAT, AND THAT NOW THE PARTY AND ITS LEADER WILL BE PUT UNDER A CLOUD AGAIN AT A CRUCIAL TIME.

"SOURCES IN WASHINGTON CLOSE TO THE LOCKHEED INVESTIGATION SAY THAT WEST GERMANY WAS INDEED LATE IN SEEKING AN ARRANGEMENT WITH THE JUSTICE DEPARTMENT FOR ACCESS TO CERTAIN INFORMATION. GOVERNMENTS IN HOLLAND, JAPAN, ITALY AND TURKEY, AMONG OTHERS, WORKED OUT SUCH ARRANGEMENTS MONTHS AGO.

"BUT THE AMERICAN SOURCES ALSO SUGGEST THAT THE SCOPE OF PRINCE BERNHARD'S ACTIVITIES AS REVEALED LAST WEEK MAY ALSO HAVE JOLTED BONN INTO TAKING SUCH A BELATED STEP.

"THE JUSTICE DEPARTMENT NOW HAS EXTENSIVE RECORDS OF INVESTIGATIVE WORK DONE BY THE SECURITIES AND EXCHANGE COMMISSION ON THE GLOBAL LOCKHEED AFFAIR THAT WAS NOT AVAILABLE TO THE COMMITTEE NOR TO BONN REPRESENTATIVES AT HEARINGS LAST FEBRUARY AND MARCH.

"THE LINGERING LOCKHEED AFFAIR HAS ALREADY CAUSED GOVERNMENT TURMOIL IN JAPAN AND THE NETHERLANDS, BUT IT IS POTENTIALLY EVEN MORE VOLATILE HERE BECAUSE OF THE MORE THAN 900 STARFIGHTERS PURCHASED BY THE WEST GERMAN AIR FORCE, 176 HAVE CRASHED AND KILLED ABOUT 86 AIRMEN.

"WEST GERMANY'S DEFENSIVE MINISTER AT THE TIME OF THE LOCKHEED CONTRACT WAS CHRISTIAN SOCIAL UNION CHAIRMAN
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FRANZ-JOSEF STRAUSS, WHO STILL HEADS THE PARTY. STRAUSS IS EXPECTED TO BECOME THE NEW FEDERAL FINANCE MINISTER AND DEPUTY CHANCELLOR IF THE CHRISTIAN COALITION HEADED BY HELMUT KOHL WINS WHAT IS NOW A NECK-AND-NECK RACE FOR THE CHANCELLORY ON OCT.3. --

"THE ALLEGATIONS AGAINST THE CHRISTIAN SOCIAL UNION HAVE BEEN MADE BY ERNEST HAUSER, A FORMER LOCKHEED AGENT IN

WEST GERMANY AND ONE-TIME FRIEND OF STRAUSS. STRAUSS AND HIS PARTY HAVE VEHEMENTLY DENIED ANY PAYMENT, DIRECT OR

INDIRECT, FROM LOCKHEED, AND SUBMITTED AFFIDAVITS TO THE SUBCOMMITTEE.

"GOVERNMENT SPOKESMEN EMPHASIZE THAT THEY HAVE NO KNOWLEDGE OF ANY NEW EVIDENCE, BUT FEEL THE SEC MATERIAL MUST BE REVIEWED.

"IN FEBRUARY, LOCKHEED PRESIDENT A.K. KOTCHIAN TESTIFIED BEFORE THE SENATE SUBCOMMITTEE THAT HIS FIRM HAD MADE PAYMENTS IN THE PAST TO OFFICIALS IN THE NETHERLANDS, ITALY AND JAPAN. HE ALSO SAID HE HAD "NO KNOWLEDGE" OF PAYOFFS IN WEST GERMANY.

"THE LOCKHEED PRESIDENT IN THE EARLY 1960S, HOWEVER, WAS ROBERT GROSS, WHO IS DEAD, AND INVESTIGATORS FEEL THAT THE INABILITY TO QUESTION GROSS AND THE POSSIBILITY THAT SOME NORMAL DESTRUCTION OF CORPORATE DOCUMENTS FIFTEEN YEARS OLD MAY HAVE BEEN CARRIED OUT WILL ALSO COMPLICATE ANY FINAL JUDGEMENT. END TEXT
ROBINSON

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